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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
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09/825,354

04/04/2001

Addison M. Fischer

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1412

23117

7590

06/28/2005

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EXAMINER

SMITH, JEFFREY A

ART UNIT

PAPER NUMBER

3625

DATE MAILED: 06/28/2005

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

09/825,354

Applicant(s)

FISCHER, ADDISON M.

Examiner

Jeffrey A. Smith

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 23 February 2005.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-28 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-28 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☒ The drawing(s) filed on 04 April 2001 is/are: a) ☒ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|---|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413) |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | Paper No(s)/Mail Date. _____ |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08) | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152) |
| Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____ |

S.O.D

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DETAILED ACTION

Response to Amendment

The response filed February 23, 2005 has been entered and considered.

Claims 1-28 are pending.

An office action on the merits follows.

Claim Objections

Claims 8-21 are objected to because of the following informalities:

In claim 8, last line: ";" should read as ---.

In claim 15, last line: ";" should read as ---.

Appropriate correction is required.

Claim Rejections - 35 USC § 101

35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

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Claims 1-28 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

As an initial matter, the United States Constitution under Art. I, §8, cl. 8 gave Congress the power to "[p]romote the progress of science and useful arts, by securing for limited times to authors and inventors the exclusive right to their respective writings and discoveries". In carrying out this power, Congress authorized under 35 U.S.C. §101 a grant of a patent to "[w]hoever invents or discovers any new and useful process, machine, manufacture, or composition or matter, or any new and useful improvement thereof." Therefore, a fundamental premise is that a patent is a statutorily created vehicle for Congress to confer an exclusive right to the inventors for "inventions" that promote the progress of "science and the useful arts". The phrase "technological arts" has been created and used by the courts to offer another view of the term "useful arts". See *In re Musgrave*, 167 USPQ (BNA) 280 (CCPA 1970). Hence, the first test of whether an invention is eligible for a patent is to determine if the invention is within the "technological arts".

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Further, despite the express language of §101, several judicially created exceptions have been established to exclude certain subject matter as being patentable subject matter covered by §101. These exceptions include "laws of nature", "natural phenomena", and "abstract ideas". See *Diamond v. Diehr*, 450, U.S. 175, 185, 209 USPQ (BNA) 1, 7 (1981). However, courts have found that even if an invention incorporates abstract ideas, such as mathematical algorithms, the invention may nevertheless be statutory subject matter if the invention as a whole produces a "useful, concrete and tangible result." See *State Street Bank & Trust Co. v. Signature Financial Group, Inc.* 149 F.3d 1368, 1973, 47 USPQ2d (BNA) 1596 (Fed. Cir. 1998).

This "two prong" test was evident when the Court of Customs and Patent Appeals (CCPA) decided an appeal from the Board of Patent Appeals and Interferences (BPAI). See *In re Toma*, 197 USPQ (BNA) 852 (CCPA 1978). In *Toma*, the court held that the recited mathematical algorithm did not render the claim as a whole non-statutory using the Freeman-Walter-Abele test as applied to *Gottschalk v. Benson*, 409 U.S. 63, 175 USPQ (BNA) 673 (1972). Additionally, the court decided separately on the issue of

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the "technological arts". The court developed a

"technological arts" analysis:

The "technological" or "useful" arts inquiry must focus on whether the claimed subject matter...is statutory, not on whether the product of the claimed subject matter...is statutory, not on whether the prior art which the claimed subject matter purports to replace...is statutory, and not on whether the claimed subject matter is presently perceived to be an improvement over the prior art, e.g., whether it "enhances" the operation of a machine. *In re Toma* at 857.

In *Toma*, the claimed invention was a computer program for translating a source human language (e.g., Russian) into a target human language (e.g., English). The court found that the claimed computer implemented process was within the "technological art" because the claimed invention was an operation being performed by a computer within a computer.

The decision in *State Street Bank & Trust Co. v. Signature Financial Group, Inc.* never addressed this prong of the test. In *State Street Bank & Trust Co.*, the court found that the "mathematical exception" using the Freeman-Walter-Abele test has little, if any, application to determining the presence of statutory subject matter but rather, statutory subject matter should be based on whether the operation produces a "useful, concrete and tangible

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result". See *State Street Bank & Trust Co.* at 1374.

Furthermore, the court found that there was no "business method exception" since the court decisions that purported to create such exceptions were based on novelty or lack of enablement issues and not on statutory grounds. Therefore, the court held that "[w]hether the patent's claims are too broad to be patentable is not to be judged under §101, but rather under §§102, 103 and 112." See *State Street Bank & Trust Co.* at 1377. Both of these analysis goes towards whether the claimed invention is non-statutory because of the presence of an abstract idea. Indeed, *State Street* abolished the Freeman-Walter-Abele test used in *Toma*.

However, *State Street* never addressed the second part of the analysis, i.e., the "technological arts" test established in *Toma* because the invention in *State Street* (i.e., a computerized system for determining the year-end income, expense, and capital gain or loss for the portfolio) was already determined to be within the technological arts under the *Toma* test. This dichotomy has been recently acknowledged by the Board of Patent Appeals and Interferences (BPAI) in affirming a §101 rejection finding the claimed invention to be non-statutory. See *Ex parte Bowman*, 61 USPQ2d (BNA) 1669 (BdPatApp&Int 2001).

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In the present application, the claims fail to recite a specific and non-trivial application of "technology" in the bodies of the claims. Certain references to communication systems, e-mail, browsers, and the Internet. However, none of these "technologies" are applied in the method steps in a non-trivial manner (e.g. involved in the transformation of data--rather than merely the transfer of data).

Claim Rejections - 35 USC § 102

The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless -

(e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

Claims 1-3, 6-10, 13-17, 20-24, 26-28 are rejected under 35 USC 102(e) as being anticipated by Linden et al. (U.S. Patent No. 6,360,254 B1) (hereafter: "Linden").

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Linden discloses (see Fig. 1) a system comprising a user (32) and a vendor (30) coupled by a communication system ("INTERNET": see Fig. 1, and col. 5, lines 59-62)). In the system, Linden discloses the following methods.

Regarding claims 1

Linden discloses a method for performing an electronic transaction (col. 3, lines 44-55).

The method comprises:

establishing, by a user, an order list including at least one item to be obtained from a vendor (col. 11, lines 29-37);

then, submitting the order list to the vendor over a communication system (col. 11, lines 29-37);

then, receiving the list by the vendor (col. 11, lines 29-37);

then, making the list available to the user through a real-time connection with the vendor (col. 11, lines 29-37);

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then, establishing a real-time connection between the user and the vendor (col. 11, lines 29-37);

then, enabling the user to review and approve the vendor received order list during the real-time connection (col. 11, lines (col. 11, lines 37-38; col. 7, line 65-col. 8, line 2)).

Regarding claim 2

Linden further discloses identifying by the vendor the user who sent the order list and associating the order list with the user (col. 4, 6-9).

Regarding claim 3

Linden further discloses enabling the user to modify the order list during the real-time connection and prior to approving the list (col. 11, lines 37-38).

Regarding claim 6

Linden further discloses establishing the real-time connection using a browser (col. 4, lines 25-28).

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Regarding claim 7

Linden further discloses using the Internet as the communication system (col. 5, lines 59-62).

Regarding claim 8

Linden discloses a method for performing an electronic transaction.

The method comprises:

establishing, by a user, an order list including at least one item to be obtained from a vendor (col. 11, lines 29-37);

then, submitting the order list to the vendor over a communication system (col. 11, lines 29-37);

then, receiving by the user a confirmation of the order list sent by the vendor (col. 11, lines 29-37);

then, editing the confirmation of the order list by the user to create a modified order list (col. 11, lines 37-38);

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then, sending the modified order list to the vendor (col. 11, lines 37-38);

then, making the modified confirmation order list available to the user through a real-time connection with the vendor (col. 6, lines 27-34; col. 4, lines 32-34; col. 5, lines 34-36; col. 8, lines 13-16);

then, establishing a real-time connection between the user and the vendor (col. 3, lines 49-52); and

then, enabling the user to approve the vendor received, modified confirmation order list during the real-time connection (col. 7, line 65-col. 8, line 2).

Regarding claim 9

Linden further discloses identifying by the vendor the user who sent the order list and associating the order list with the user (col. 4, 6-9).

Regarding claim 10

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Linden further discloses enabling the user to modify the order list during the real-time connection and prior to approving the list (col. 11, lines 37-38).

Regarding claim 13

Linden further discloses establishing the real-time connection using a browser (col. 4, lines 25-28).

Regarding claim 14

Linden further discloses using the Internet as the communication system (col. 5, lines 59-62).

Regarding claim 15

Linden discloses a method for performing an electronic transaction.

The method comprises:

sending a proposed order list by a vendor to a user (col. 10, lines 18-28);

then, using the proposed order list by the user to create an order list (col. 11, lines 29-37);

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then, submitting the order list to the vendor over the communication system (col. 11, lines 29-37);

then, making the order list available to the user through a real-time connection with the vendor (col. 11, lines 29-37);

then, establishing a real-time connection between the user and the vendor (col. 11, lines 29-37); and

then, enabling the user to review and approve the vendor received order list during the real-time connection (col. 11, lines 37-38; col. 7, line 65-col. 8, line 2).

Regarding claim 16

Linden further discloses identifying by the vendor the user who sent the order list and associating the order list with the user (col. 4, 6-9).

Regarding claim 17

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Linden further discloses enabling the user to modify the order list during the real-time connection and prior to approving the list (col. 11, lines 37-38).

Regarding claim 20

Linden further discloses establishing the real-time connection using a browser (col. 4, lines 25-28).

Regarding claim 21

Linden further discloses using the Internet as the communication system (col. 5, lines 59-62).

Regarding claim 22

Linden discloses a method for performing an electronic transaction.

The method comprises:

establishing, by a user, an order list including at least one item to be obtained from a vendor (col. 11, lines 29-37);

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then, submitting the order list to the vendor over a communication system (col. 11, lines 29-37);

then, receiving the list by the vendor (col. 11, lines 29-37);

then, parsing the list to extract an order for the vendor (col. 6, lines 7-34);

then, making the list available to the user through a real-time connection with the vendor (col. 11, lines 29-37);

then, establishing a real-time connection between the user and the vendor (col. 11, lines 29-37);

then, enabling the user to review and approve the vendor received order list during the real-time connection (col. 11, lines 37-38; col. 7, line 65-col. 8, line 2).

Regarding claim 23

Linden further discloses enabling the user to modify the order list during the real-time connection and prior to approving the list (col. 11, lines 37-38).

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Regarding claim 24

Linden further discloses using an automated process to parse the list (col. 6, lines 7-34).

Regarding claim 26

Linden further discloses that parsing the list includes scanning the list for delimiters indicating order entries in the list (col. 6, lines 7-34).

Regarding claim 27

Linden et al. discloses a method for performing an electronic transaction (col. 3, lines 44-55).

The method comprises:

establishing, by a user, an order list including at least one item to be obtained from a vendor (col. 11, lines 29-37);

then, establishing a real-time connection between the user and the vendor (col. 11, lines 29-37);

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then, uploading by the user the order list to the vendor

(col. 11, lines 29-37);

then, receiving the uploaded order list by the vendor (col.

11, lines 29-37);

then, making the uploaded order list available to the user

through a real-time connection (col. 11, lines 29-37);

then, enabling the user to review and approve the uploaded

order list during the real-time connection (col. 11, lines

37-38; col. 7, line 65-col. 8, line 2).

Regarding claim 28

Linden further discloses enabling the user to modify the

order list during the real-time connection and prior to

approving the list (col. 11, lines 37-38).

Claim Rejections - 35 USC § 103

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to

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be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claims 4, 5, 11, 12, 18, 19, and 25 are rejected under 35 USC 103(a) as being unpatentable over Linden et al.

(U.S. Patent No. 6,360,254 B1) (hereafter: "Linden").

Regarding claims 4, 11, 18, and 25

Linden does not (in the methods of the paradigms discussed above regarding claims 1, 8, 15, and 22) disclose sending the order list to the vendor using e-mail.

Linden, however, does disclose a method of an additional paradigm in which the vendor orders supplies from a supplier (col. 11, lines 39-56). In the method of this paradigm, Linden teaches that the Web site (order-placer) of the retailer sends an order list to a supplier (order-receiver) using e-mail.

It would have been obvious to one of ordinary skill in the art to have modified the methods of the paradigms discussed above regarding claims 1, 8, 15, and 22 to have incorporated the teaching of the method of the additional

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paradigm discussed above (where an order list of an order-placer is sent to an order-filler using e-mail) in order to have reduced the likelihood that unauthorized users will obtain access to private information--an advantage of transferring private information already taught by Linden (col. 4, lines 9-11).

Further regarding claim 25

Linden further discloses using the Internet as the communication system (col. 5, lines 59-62); and establishing the real-time connection using a browser (col. 4, lines 25-28).

Response to Arguments

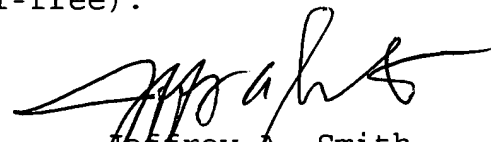
Applicant's arguments, with respect to the rejections of claims 1-14, and 22-28 under 35 USC 102(b) as being anticipated by Gardner; and to the rejections of claims 15-21 under 35 USC 103(a) as being unpatentable over Gardner in view of Shane have been fully considered and are persuasive. Therefore, the rejections have been withdrawn. However, upon further consideration, a new ground(s) of rejection is made in view of Linden et al. (U.S. Patent No. 6,360,254 B1).

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Any inquiry concerning this communication or earlier communications from the examiner should be directed to Jeffrey A. Smith whose telephone number is (571) 272-6763. The examiner can normally be reached on M-F 6:30am-6:00pm.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Wynn Coggins can be reached on (571) 272-7159. The fax phone number for the organization where this application or proceeding is assigned is 703-872-9306.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).


Jeffrey A. Smith
Primary Examiner
Art Unit 3625